

ORIGINAL



0000094196

GLIEGE LAW OFFICES, PLLC
P.O. Box 1388
Flagstaff, AZ 86002-1388
(928) 606-5260

RECEIVED ORIGINAL

2009 MAR -2 A 10: 35

Arizona Corporation Commission

DOCKETED

MAR - 2 2009

John G. Gliege (#003644)
Attorney for Tonto Village Water Company, Inc.

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY	<i>[Signature]</i>
-------------	--------------------

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION) DOCKET NO. W-01580A-07-0707
OF TONTO VILLAGE WATER CO., INC.)
RATE APPLICATION FOR WATER)
COMPANIES WITH ANNUAL GROSS)
OPERATING REVENUES (INCLUDING)
REQUESTED RATE RELIEF) OF LESS)
THAN \$250,000.)

OBJECTION TO STAFF
RECOMMENDATION THAT RATE CASE
BE WITHDRAWN

IN THE MATTER OF THE APPLICATION) DOCKET NO. W-01580A-08-0209
OF TONTO VILLAGE WATER COMPANY)
FOR APPROVAL OF A FINANCING)
APPLICATION)

COMES NOW TONTO VILLAGE WATER COMPANY INC by and through its attorney undersigned and hereby objects to the Staff's recommendation that the above captioned rate case be withdrawn. The Company asserts that the rate case was filed in good faith in order to provide an adequate rate for the Company to continue to provide water service within its certificated area. The Company asserts that to the best of its ability it complied with the Data Requests of the Staff, including the request for a hydrologic study, which was unnecessary in light of the Commission's previous order which dictated the location of the new well. The Company did provide a hydrology report, however its preparation did delay the proceedings by a few months. The Staff's recommendation is based upon its position that the rate case is stale, however, the delays were caused by the Staff's requirements in this instance. The Company expended considerable resources to prepare the rate application and to have the

1 hydrology report prepared. To withdraw the rate application at this time would be a waste of the
2 Company's resources which went into the preparation of the 2007 rate case.

3 The new well is being connected to the water system, however, the Company is not in a position
4 to wait until there has been a sufficient test year following the construction of the well before the
5 implementation of increased rates to cover the costs of operating the water system. The Company
6 recognizes that this will necessitate a subsequent rate application once a test year is available with the
7 new well in operation; however, it is the Company's position that it would be far better to incrementally
8 step up the water rates through two water rate procedures rather than substantially increase the rates in a
9 single procedure. This would allow for the Company to operate under increased rates until such time as
10 an appropriate application can be filed containing a test year containing the operation of the new well.

11 To withdraw the application at this point in time would harm the Company and consequently its
12 customers.

13 THEREFORE, it is respectfully requested that the 2007 water rate case be allowed to remain on
14 the docket and that hearings be set on the same as quickly as possible so that the Company may have the
15 benefit of this incremental rate increase at this point in time.

16 RESPECTFULLY SUBMITTED this 26th day of February, 2009.

17 GLIEGE LAW OFFICES, PLLC

18
19 
20 John G. Gliege
21
22
23
24
25
26
27
28
29

1 Original and 15 copies of the foregoing
2 Mailed this 26th day of February, 2009 to:

3 Docket Control Center
4 Arizona Corporation Commission
5 1200 W. Washington Street
6 Phoenix, AZ 85007

7 Copies of the foregoing
8 Mailed this 26th day of February, 2009 to:

9 Ron and Rebecca Standage
10 Tonto Village Water Company
11 PO Box 9116
12 Mesa, AZ 85214-9116

13 Tonto Village DWID
14 HC7, Box 363
15 Payson, AZ 85541

16 Janice Alward, Chief Counsel
17 Legal Division, ACC
18 1200 W. Washington St.
19 Phoenix, AZ 85007

20 Ernest G. Johnson, Director
21 Utilities Division, ACC
22 1200 W. Washington
23 Phoenix, AZ 85007

24 Harry D. Jones, Intervenor
25 District Manager, Tonto Village
26 Domestic Water Improvement District
27 HC7, Box 363
28 Payson, AZ 85541

29 James Widger, Intervenor
HC7, Box 192-P
Payson, AZ 85541

Jake Garrett, Movant
HC7, Box 184
Payson, AZ 85541

Jerry Lewinson
HC7 180-K
Payson, AZ 85541